

GOVERNMENT OF TELANGANA
ABSTRACT

PR&RD - The Fourteenth Finance Commission (FFC) grants to Panchayat Raj Institutions
- Utilisation of grants based on the recommendations of the Fourteenth Finance
Commission - Orders - Issued.

PANCHAYAT RAJ AND RURAL DEVELOPMENT (PTS.II) DEPARTMENT

G.O.Ms.No.27

Dated.04.04.2016
Read the following

1. Letter No. 13(32)FFC/FCD/2015-16, Dated 8-10-2015 from the Director, Finance Commission Division, GoI, Ministry of Finance, New Delhi.
2. Letter No. 250/CPR&RE/G1/2016 Dated 28.03.2016 from the Director, PR&RE, Telangana State, Hyderabad.

ORDER:

The Fourteenth Finance Commission has recommended the following grants for Rs. 5,375.28 Crores to the Rural Local Bodies i.e. Gram Panchayats in Telangana State for the entire commission period from 2015-16 to 2019-20 . The grants are two parts viz., (i) Basic grant and (ii) Performance grant and Year-wise allocated grants are hereunder.

Grant	2015-16	2016-17	2017-18	2018-19	2019-20	Total (Rs.in Crores)
Basic Grant	580.34	803.58	928.47	1074.07	1451.30	4837.75
Performance Grant	--	105.41	119.28	135.46	177.38	537.53
Total	580.34	908.99	1047.75	1209.53	1628.68	5375.28

2. The Ministry of Panchayat Raj, GOI has informed that the Performance grants will be released only on fulfilment of the following conditions prescribed and funds will be released from the financial year 2016-17.

- (i) To be eligible for Performance grants to the Gram Panchayats, the Gram Panchayats will have to submit audited annual accounts that relate to a year not earlier than two years preceding the year in which the Gram Panchayats seeks to claim the Performance grant. To illustrate, the audited accounts required for Performance grants in 2016-17 will be for the year 2014-15, for Performance grants in 2017-18, the audited accounts will be for the year 2015-16 & so on & so forth.

- (ii) Further, the Gram Panchayats will have to show an increase in their own revenues over the preceding year as reflected in the audited accounts.

3. The performance grants to be distributed to the Gram Panchayats as mentioned below:

- (a) 50% share of Performance grant to be distributed equally to all Gram Panchayats, which have fulfilled above conditions i.e., Gram Panchayats which show an annual increase of more than 5% of previous years own revenues.
- (b) In order to encourage the best performing Panchayats, the balance 50% to be distributed equally to such Gram Panchayats which have achieved 100% tax collection in the Gram Panchayats.

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4. The Director, Panchayat Raj & Rural Employment, Hyderabad is requested to issue necessary instructions to the Gram Panchayats immediately to follow the above guidelines without any deviations.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF TELANGANA)

S.P.SINGH
SPECIAL CHIEF SECRETARY TO GOVERNMENT

To
The Director, Panchayat Raj & Rural Employment,
Telangana, Hyderabad.
The Director of Treasuries & Accounts, Telangana, Hyderabad.

Copy to:

The PS to Minister (PR,IT& MA&UD)
The Pay and Accounts Officer, Hyderabad
The Finance (FC) Dept
The P.S. to Special Chief Secretary, (PR&RD)
The Accountant General, Hyderabad.
SF&SC.

//FORWARDED:: BY ORDER//

SECTION OFFICER